Banking.

48 of 1908

S. No. 1–11

G. R. S. 58
Previous references.

File No. 48-06

1906-7

Serial Nos. 1-11

(Banking)

Later references.
Bank 18-11 & 1-3 BS/12
Fin 310-72 SS12-13

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-11

Part B. for April 08

SUBJECT.

Issuing rules for granting loans from State funds to Cooperative Societies in the Mysore State.

---

1) To the Revenue Commr No. 7E 4135 & 30.11.06 forwards a copy of the summary of discussion & the reply of Govt to, the G.R.B. Subject No. 197-06 re grant of Govt help to Cooperative Societies.

2) From the Revenue Commr No. 6391 & 14.12.06 submitting his opinion, the opinion of the R.C. Submits his opinion in the matter of Govt loan to Cooperative Societies, along with letter No. 157 & 10/12/06 from the Registrar on the subject.

3) To the Registrar of Cooperative Societies No. 7E 5350 & 11.12.06 Requests him to forward for reference copy of rules in Bengal upon which the rules are based & also Rose obtaining other Provinces except the Punjab.

GPB .8,000—7-4-07

Submits copies of Bengal Coorg rules
& state that he does not possess more obtainable elsewhere.

To the Revn Commr & compliller No. 2513-6 & 20/11/07
Directs that a sum of Rs 15000/- be made available for loans to these Societies & states that detailed rules will be issued separately & requests the Compl to place Rs 15000/- at the disposal of the Revn Commr.

6) To the Revenue Commr No. 2647 & 3.12.07
Forwards a draft of the detailed rules on the subject & requests him to have the same revised for publication.

7) From the compliller No. 3005/597 & 6/12/07
States that the whole amount of Rs 15000/- may be advanced during the current year

8) To the Revn Commr & compll No. 2867 & 10/12/07
Records sl (7)

9) From the Revn Commr No. 6082 & 9/12/07
Returns the draft rules with certain observations

10) To the Compiler, Mysore Gazette
No. 3194 & 20.12.07
& Rifs the rules & invites criticisms & suggestions if any.

11) To the Compiler, Mys. No. 6664 & 20/12/07
Rifs the rules with a slight change.

G. R. S. 11] 1906.

GENERAL AND REVENUE SECRETARIAT.

(Banking)

NOTES.

File No. 48-06

FILE HEADING.

Government help to Co-operative Societies.

From.

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

1 To the Revenue Commissioner in Mysore. No H 4135 of 30-11-06

3. Forwards copy of the Summary of discussion of and the reply of Govt. to the subject No. 197 regarding the grant of Govt. help to Co-operative Societies submitted by the members of the Representative Assembly held in October 1906 and requests to obtain and forward the opinion of the Registrar of Co-operative Societies together with his own opinion in the matter

NOTES—First sheet.

MGCPB—30,000—17-2-05.

SUBJECT No. 197.

Government help to Co-operative Societies.

Mr. Amble Anniah Pandit, Mysor District Board.

Summary of discussion.—It is requested that Amildars may be empowered to recover the loans advanced to raiyats from the Co-operative Societies for the purchase of seeds and cattle and that Government may help the said Societies with one-fifth of the capital. It is difficult for the raiyats to raise all the capital required amongst themselves. Government may advance a certain amount, provided the members raise an equivalent amount or in some other proportion amongst themselves.

Reply of Government.—Will be referred to the Registrar of Co-operative Societies for opinion.

B 50-05

draft for 2nd Secy

K. S.

13.11.06

7.11.06

my

K. 11.06

G.R.S. 12]
General and Revenue
Secretariat.

File No. 48 of 1906

Serial No.	
2	From the Revenue Commissioner in Mysore No. 6391 of 16th December 1906 Submits with his remarks letter No. 1579 of the 10th December 1906 from the Registrar of Co-operative Societies stating that as regards the first question raised by the Representative Member that Government may be empowered to recover the loans advanced to Raiyats by Co-operative Societies he has already submitted certain rules, which if sanctioned, would enable the Co-operative Societies to settle their disputes without the cost and delay generally involved in resorting to a Civil Court and that as regards the second point that Govt. may advance a certain proportion of the capital collected by these Societies, it is in his opinion highly desirable that Govt. should advance an amount Equal to some proportion of the capital raised by a Co-operative Society; appends a note of the modifications which he proposes in the draft rules submitted by the Registrar on the lines of those of Bengal for making advances of money by Govt. and states that if these rules should be sanctioned by Govt. provision will have to be made in the Budget under the head "Advances to Co-operative Societies". Submitted. Please instruct the Rules regulating Co-operative Societies BK 21/12/06. the grant of Govt help in the British Provinces, & thereafter we have read some of these Rules from the Assessment- manle 3/1/17

NOTE—Contn. sheet.

GPB—50,000—23-10-05

G.R.S. 12]
General and Revenue Secretariat.

File No. 48 of 1906

Serial No.	
7/1 May	A copy of Notification no. 527 of 25th May 1906 issued by the Lieutenant Governor of the Punjab is put up. BK 7/1/07. If no information is available in the Deptt regarding the rules in other Provinces please ask the Registrar Co-operative Societies to furnish a copy of the rules in Bengal upon which he has based the draft rules as also those obtaining in other provinces except Punjab — if available in his office. 8/1 Subd. Ltr a draft ~~this letter~~. BK 8/1/07 Issued 9/1
Flag S. 3	To the Registrar Co-operative Societies no 7E 5350 Dt 11/1/07 Requests him to forward for reference copy of rules in Bengal upon which the draft rules are based, also those obtaining in other provinces except the Punjab.
Flag T 4	From the Registrar of Co-operative Societies. no 186 Dt 17-1-07 Submits copies of Bengal & Coorg rules & states that he does not possess those obtaining elsewhere. Submitted BK 21/1/07 ~~The enclosures of the papers~~

Note—Contn. sheet

GPB—50,000—23-10-05

7.- Notification.- The Lieutenant-Governor is pleased to make the following rules under which Government loans will be made to co-operative societies in the Punjab:-

Amount of advance.

I. (i) The maximum advance that may be made to any society is Rs 5,000.

(2) The amount advanced to any society shall not exceed the amount of capital subscribed by the members.

Interest on advances.

2. All advances to any society shall be free of interest for 5 years from the date of registration, and shall, subject to the provisions of rule 9(2), bear interest at 4 per cent. per annum after the expiry of that period.

Application for advance.

3. (i) A society requiring an advance shall submit to the Registrar an application in Form A annexed to these rules.

(2) The registrar shall satisfy himself that the statements therein contained are supported by the society's accounts.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar may sanction the payment of advances from any treasury or sub-treasury, and may prescribe the number of instalments of repayment and the dates on which each instalment is to be paid.

Provided that, without the special sanction of the Government of India, the number of annual instalments prescribed shall not exceed twenty.

Order sanctioning advance.

5. (I) If the Registrar sanctions an advance his sanction shall be conveyed in an order in Form F annexed to these rules.

(2) The Registrar shall send the original order to the society, a duplicate copy through the Accountant-General for issue of order of payment to the treasury or sub-treasury concerned, and a triplicate copy to the Collector

Payment of advance.

6. (I) Payment of any advance so sanctioned shall be made to the person authorized to

producing the Registrar's order at the treasury or sub-treasury named therein and executing an agreement in duplicate in Form C annexed to these rules:

Provided that, when application for payment is made at a sub-treasury, the officer in charge of the sub-treasury shall forward the agreement, together with a copy of the order of sanction to the treasury officer of the district for scrutiny and counter signature before payment.

(2) When payment of an advance has been made, the original agreement shall be filed in the treasury or sub-treasury at which repayment is to be made and a copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may, if sufficient cause is shown, and if all interest due has been paid, suspend the repayment of any instalment.

(2) Whenever the Registrar makes an order of suspension, he shall forthwith send a copy thereof to the treasury officer of the district and to the Accountant-General.

(3) When an order of suspension is made in respect of any instalment, the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Procedure where instalment not repaid on due date.

8. (1) If any instalment due from any society is not fully repaid on the due date, interest at 6 per cent per annum to the date of repayment shall be recoverable on the amount overdue, unless the Registrar by special order exempts the society from this liability.

(2) The officer in charge of a treasury or sub-treasury to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment.

9. The Financial Commissioner shall regulate the forms of all returns, registers and accounts under the Act.

..

Gazette Notification.

The 27th June I906.

No.I69.-Notification.-With reference to Punjab Government notification No.2I6, dated the 7th December I905, His Honour the Lieutenant-Governor, in accordance with the provisions of section 27 (I) and (2) (k) and (m) and (p) of the Co-operative Credit Societies Act,X of I904, is pleased to make the following rules which shall come into operation with effect from the date of this notification:-

Rules.

I.-Any society may at a general meeting make bye-laws on any matter connected with its business, but shall have no power to cancel, alter or add to its original bye-laws except by the vote of not less than two-thirds of the members present at the meeting and with the sanction of the Registrar.

II.-In the case of rural societies-

(I) Copies of entries in the books of a society made for the purposes section 22 of Act X of I904 shall be certified by the signature of the lrman and the patwari of the village.

(2) Any dispute touching the business of a society between members or past members of the society or persons claiming through a member or past nember or between a member or past member or persons so claiming and the committee or any officer of the society shall be referred for decision to the Registrar or, if he so directs, to arbitration.

(3) If the dispute is referred to arbitration and the parties do not agree in the choice of an arbitrator or arbitrators, they or either of them may apply to the Collector to appoint an arbitrator or arbitrators and the Collector shall have authority to make the appointment accordingly

(4) In proceedings under these rules which relate to any dispute the s ements of the parties and their witnesses shall be recorded, and the Registrar or arbitrator ot arbitrators, as the case may be, shall decide the case after hearing the evidence and considering any documentary evidence produced, and shall record the decision, which shall be final.

Serial No.

The rules proposed by the Registrar are framed on those obtaining in British India and are if approved, to be issued under clause (g) of Section 27 of the Cooperative Societies Regulation.

In British India the grant of financial assistance is confined only to rural Societies ie Societies $\frac{4}{5}^{th}$ of whose members are agriculturists — No distinction between rural & urban is maintained in our Regulation: — But the Registrar in his letter would appear to limit the grant of Govt loans to Societies $\frac{3}{4}^{ths}$ of whose members are agriculturists, the proportion being reduced & the Rev Commr to one half — This limitation may be embodied in the rules also issued —

Rule 1 - (2). The Rev Commr has suggested very important modifications to that proposed by the Registrar —

In the first place the loan shall not exceed half the share capital instead of the whole, &

Secondly the amount of deposits which are more often of a fluctuating character need not be taken into account — This latter modification is in accord with the rule in force in Bengal and Punjab — But the Govt of India in their resolution introducing the Cooperative Societies act explain that the amount of the Govt advance may be made up to the limit of the subscribed capital and deposits

Note—Contn. sheet

GPB—50,000—23-10-05

Serial No.

deposits by members (not exceeding Rs 2 000 in any case).

As a cautionary step the suggested modifications may be approved - It is however doubtful if sufficient inducement will be thrown out to members to make fixed deposits to provide the wherewithal -

Rule 2. Here again the Rev Commissioner suggests an important variation from the British Indian rule - There will be no advance free of interest, but 4 p.c. will be charged for the 1st 3 years and thereafter 5 p.c. -

This suggestion is apparently based on the principle that cheap capital will very likely be squandered, and the Rev Commr gives his reasons why he proposes the charge of interest from the outset -

Rule 4 - Under the proviso to this rule the Registrar's power of sanctioning advances is limited to Rs 250; and all advances of higher amounts require sanction of the Rev Commr -

In all British provinces (except Coorg) the Registrar's limit is suspended to sanction advances up to the maximum limit and the Rev Commr may therefore be suspended to the full extent more especially as there will be no advances free of interest —

GPB—50,000—23-10-05

Serial No.

Rule 5-(2). In British India a copy of the Order sanctioning an advance & the Register is sent to the Collector for information. As the head of the District it is, I think, desirable that he should be aware of the fact of the advances being made to Societies in his District.

Rule 6.(2). ~~When repayments of advances are not to be made at a District Treasury~~ This rule as it stands does not appear to make sufficient provision for cases where repayments have to be made at other than District Treasuries. Where a Society is not located at a District head-quarters it is hard to compel them to make payment at a District Treasury. On the other hand if the original agreement is not in the Treasury where repayment is to be made prompt repayment cannot be insured and prompt notice cannot be given to the Registrar. This rule may perhaps be slightly altered thus.

Payment at D. Hdqrs not to be compulsory. Rule 6(2) modified so that the original agreement shall be sent there. 16.3.07

When repayment of an advance has been made, the original agreement shall be sent to the District Treasury where repayment is to be made for safe custody and the copy forwarded to the Registrar. But where repayment is to be made at a sub-Treasury the agreement will be sent to the respective District Treasury for safe custody a copy being retained in the sub-Treasury for purposes of reference

NOTE—Contn. sheet

GPB—50,000—23-10-05

G.R.S. 12]
General and Revenue Secretariat.

B File No. 48 of 1906

Serial No.

Rule 9-(2). If the above be accepted this rule also will have to be slightly altered. It is the District Treasury officer or the Sub Treasury officer who can give prompt notice to the Registrar of a default in repayment of any instalment, which is the rule in Punjab and other places and may be adopted with advantage.

The Revd Commr says that if the rules proposed by the Registrar are recommended & then are approved powers will have to be made in the budget under 'Advances to Co-operative Societies'. Apparently he means the Ways and Means Estimate, as provision for payments under Debt Services are not made in the budget.

As regards the necessary account books and forms that may be required either in the Dy or elsewhere, it is desirable that the Comptroller also is consulted, who may also give his opinion about the adequacy of the proposed rules from an account point of view.

The question of encouraging outside Capitalists to make fixed deposits by means of Banks being offered & powers in regard to their recovery, referred by the Revd Commr in para 4 of his letter may be discussed in Branch III.

Submitted to Secretary for orders.

5.2.07.

Note—Contn. sheet

GPB—50,000—23-10-05

G.R.S. 12]
General and Revenue
Secretariat.

File No. 48 of 1906

Serial No.

Forwarded both completed for favour of
R.O. 1368/12-207 Spin
Enclosures per list

B.O.
B Srinivasa Iyengar
9.2.07.

Unofficial note No 200/10/113/07

The usual accounts prescribed for recording the loans granted by Govt and for watching their recovery will be sufficient in the case of these advances also-

The exact meaning of rule no 8 proposed by the Registrar is not clear. If an amount which has to be returned, is paid before it fall due, it is not clear why the remainder of the repayable amount shd be reduced. Usually instalments paid before the due date are entirely adjusted towards the principal unless any interest is overdue and by such advance payments the debtor saves to himself some interest.

In the Memorandum
Incharge of the
Comptroller's Office

14.3.07

NOTE—Contn. sheet

6PB—10,000—18-1-07

G.R.S. 12]
General and Revenue
Secretariat.

File No. 48 of 1906

Serial No.

Forwarded to the Comptroller for favour of B.O.

No 1369/12-2-07 Spain

Enclosure per list

B Breeman Esqr
9.2.07.

Unofficial note No 200/10/11 3/07

11.2.07

The usual accounts prescribed for recording the loans granted by Govt and for watching their recovery will be sufficient in the case of these advances also -

The exact meaning of rule no 8 proposed by the Registrar is not clear. If an amount which has to be returned, is paid before it fall due, it is not clear why the remainder of the repayable amount shd be reduced. Usually instalments paid before the due date are entirely adjusted towards the principal unless any interest is overdue and by such advance payments the debtor saves himself some interest.

Yours Sincerely
In charge of the
Comptroller's Office
14.3.07.

NOTE—Contn. sheet

GPB—10,000—18-1-07

G.R.S. 12J

General and Revenue Secretariat.

File No. 48 of 1906

Serial No.

Subd
RK
12/3/07

Rule no 8 is proposed & the Registrar on the analogy of what is contained in the Bengal and Coorg rules. It does not find a place in the Punjab rules. As suggested & the Comptroller there seems to be no necessity for the provision and it may be omitted.

12/3/07

Forwarded to Branch IV for consideration of the question of encouraging outside Capitalists in the way proposed & Madras Govt.

IS.
12.3.07.

mis J 198.

Subd
SN
13/3/07

A Cooperative Society may, under Sec 9 of Cooperative Societies Regn receive deposits from members without restriction and from others who are not members (outside Capitalists) only to such extent and under such conditions as may be provided ~~for~~ by by-laws or rules made under the Regn. The Registrar suggests that in the case of deposits by outside

NOTE—Contn. sheet

GPB—40,000—12-5-06

Serial No.

capitalists the rate at which interest is to be allowed should not exceed 5%. No limit as to amount of deposit is proposed to be laid down. 5% interest would be more than the rate allowed in Govt. Savings Bank. This would be very attractive to capitalists and induce them to deposit very large sums; but under Sec 9, there must be some limit to such deposits. As regards the question whether in the event of a Cooperative credit Society making default in re-payment of deposits on due dates, they should be recovered as arrears of land revenue, it seems inexpedient that Govt should treat such deposits as advances made by Govt. Sec 26 of the Rep contemplates recovering summarily as arrears of Land Revenue only debts due to Govt. If it is decided to recover the debts due to outside Capitalists in the same manner

Note—Contn. sheet

GPB—50,000—23 10-05

Serial No.

when the section requires amend-
ment: ~~to be taken into~~

Secy. W.
13/8/07

Please put up a clean copy of the draft Rules (with a view to previous publication), and with the following modifications embodied therein:-

1) The modifns suggested by the Dev. Cr in Rules 1, 2 & 4 to be accepted - The proviso to Rule 4 may ~~be omitted~~ remain as it is, as it will empower the Dev. Cr to sanction loans up to Rs 2,000.

2) In order to make it clear that loans are only to be given to Societies at least one half of the members of which are agriculturists Rule 1 (1) to be altered as follows:-

~~"The Govt will make loans~~

"Loans not exceeding Rs 2000 in the aggregate may be made to any Co-operative Society at least one-half of the

NOTE—Contn sheet.

G.R.S. 12]
General and Revenue
Secretariat.

Bank File No. 48 of 1906.

Serial No.

numbers whereof are officiating
3) Rule 8 may be omitted for
reasons mentioned by Mr. N.
Krishna Rao
4) I think it is undesirable
to artificially stimulate
deposits by outriders by
offering to receive them as
arrears of land revenue.
and as pointed out in the
first Report of the Committee,
moreover
this is not possible without
an amendment of the
Law—

W 3.7

W
20/8/07
P.

Vol. II
SW
20/8/07

Please put up draft notification
as desired by the Secy

Subd
RK
21/3/07

MR
21/3/7

subd. with a draft notification

RK
22/3/07.

Secy). MR
25-3-7

MR 25/3 To Dewan Repr 1907 2/8/07

Public Legislation
measure
2430
27.3.1907

Hon. Mr. Chamberlain's
State

NOTE—Contn. sheet.

GPB—10,000—18-1-07

G.R.S. 12]
General and Revenue Secretariat.

B File No. 48 of 1906.

Serial No.

State aid in the way proposed will have a demoralising effect on these Co-operative Societies & detract from their development & usefulness - Thus, I would vote against the principle of the measure as a whole -

2- But if a measure of this kind must be adopted I prefer it in the shape advocated by the Revenue Commissioner with a further & narrower limitation first as to the Max^m amount which may be made available from State Funds in any single year, & second as to the Max^m amount which may be outstanding at any time.

Put up Apon

4399
11/4/07

I agree with the Vice Chancellor on the question of principle No action is necessary

Yes

NOTE—Contn. sheet

GPB—10,000—18-1-07

G.R.S. 12]

General and Revenue Secretariat.

Banking File No. 48 of 1906-7.

Serial No.

Draft Submitted for approval
K.S.
18/5/07.

mr/20/5 General Secy mrh 25.5.

As this is an important subject, which was ~~first~~ originally raised at the Ref. Assts, the draft is noted & the decision for appl before issue. (A reply has to be given to the Govt of C—; & hence the papers can hardly be filed) 28.5.07 mrh 29/5

4946
31.5.07

Bring before Council

25/8/07

Circulate to Council

CBB
25/8

Seen
7/8/07

1rb
7.8.07 I shall be glad to discuss the principle involved in the proposa

Note—Contn. sheet

GPB—50,000—23 10-05

Serial No.

made by the Registrar and the Revenue Commissioner the failure of the agricultural banks should not deter us from grappling with the present question which is nothing more or less than giving State aid to purely Co-operative enterprise. "Once bitten twice shy" should not in my humble opinion be carried too far

R. Mitchinson
2/Jonnell

7/8/07

GPB—40,000—12-5-06

C. 57.
8-07.

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

Question of the grant of Government help to Co-operative Societies.

CIRCULATED TO COUNCILLORS.

By Order,

C. Balasundaramayer

...5th. August.....*1907*.

Offg: *Secretary.*

T. Ananda Row, Esq., B.A.,

First Councillor.

K. P. Puttanna Chetty, Esq,

Second Councillor.

65-03
28.9.07

Extract from the Proceedings of the 182nd *Meeting of the Council of His Highness the Maharaja, held at* Bangalore *on the* 18th September *190* 7 .

I. Subject.

Question of the grant of help to Co-operative Credit Societies.

O P I N I O N.

The Council are not quite convinced of the expediency of advancing any loans to the Co-operative Societies At the same time they feel that there is some force in what has been urged by the Registrar in favor of such loans. The Registrar urges that a loan from Government free of interest for a time will enable newly started Co-operative Societies to bear the cost of establishment and other incidental expenses out of the interest realized on the amount, till the Socieities collect their own capital and are able to shift for themselves. The grant of small loans from Government will also serve as an indication of the Government's interest in the Societies as there is reason to think that people feel the marked contrast between the liberality with which loans were granted to agricultural banks and the entire absence of such help to Co-operative Societies. What is wanted is not so much material assistance as something to show that the Co-operative Societies command the confidence of Government.

The

The Council is of opinion that a sum of 15 or 16 thousand rupees made available once for all for such loans would suffice for the whole State and that the grant need not be repeated year after year. The following conditions among others may be laid down for the advance of loans by Government:-

i. that the loan will be free of interest for the first two years;

ii. will afterwards bear interest at 5 per cent per annum, and

iii. shall be repaid in three annual instalments commencing after the lapse of the first two years.

The loan to be given to a Society shall not exceed the paid up share capital of the Society and shall in no case exceed Rs.2,000.

Sd. V.P.Madhava Rao,
Dewan of Mysore.

"Extract"

C.S.Balasundaram Jr.
Offg: Secretary to Government.

Submitted to His Highness.

Z

These papers relate to a representation made at the last session of the Representative Assembly that Government should advance to Co-operative Scieties a certain proportion of their capital.

...e Revenue Commissioner and the Registrar of Co-operative Societies are both in favour of such advances being given, subject to certain restrictions. The matter was considered by the Council and the appended extract from the Council Proceedings contains their opinion. The Council recommend that a sum of 15 or 16 thousand rupees might be made available once for all for such loans, and that the grant need not be repeated every year. The loans may be subject to the following conditions:-

(1) the loan will not exceed the paid up share capital of the society and shall also not exceed Rs.2,000 in any case,

(2) the loan will be free of interest for the first 2 years, and will afterwards bear interest at 5 per cent per annum,

(3) the loan shall be repaid in 3 annual instalments commencing after the lapse of the first 2 years.

These recommendations may be sanctioned.

The rules submitted by the Registrar of Co-operative Societies and referred to in para 2 of his letter No.157 dated 10th December 1906 and in para 1 of the Revenue Commissioner's letter No.6391 dated 14th idem, relate to the settlement of disputes in connection with the business of Co-operative Societies by arbitration and have been already disposed of. (Vide His Highness' orders dated 11th May 1907 and Proceedings No.J 3508/Leg.21-06-4 dated 18th idem.)

(Linked file)
M

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

4.10.07
271

Grant of Government help to Co-operative Societies.

Order.

278
5/10/07
250

Sanctioned
~~KRM~~
5/10/07

Dewan's order
Please issue orders
BP.
ku
5/10

Please put up an order early
SB
6/10/07

G.R.S. 12]

General and Revenue Secretariat.

B File No. 48 of 1905

Serial No.

Submitted with a draft.

BK 9/10/07. The alteration in the Gazette Notification necessitated by the subsequent order has been indicated in pencil in the draft notification.

WJ 12/10.

The Comptroller has not been consulted whether it is possible to provide for Rs 150000 or Rs 6000 in the Ways & Means Estimate — A para drawing the attention the Comptr to make the necy provision is added. The draft notification embodying detailed rules has also been published in the Gazette.

Subd Deml Leg. 187 14/10/7 15

Consult Comptr. whether provision cannot be made in Ways & means budget. If it is at all possible provision shd be made this year

CSB 30/10

R.279

No 7683. 31-10-07

Forwarded to the Comptroller N.O.

18 Decemr Legn 30.10.7

Note No 279 Dt 7/8?

The ways & means estimate

Note—Contn. sheet

GPB—40,000—12-5-06

G.R.S. 12]

General and Revenue Secretariat.

B File No. 48 of 1906-07

Serial No.

was submitted to [illegible] ago, a
a fresh provision in the Council can
be made -

But if the loans do not exceed
a small amount & are urgent-
the money can no doubt be found.
It should be borne in mind however
that the agricultural outlook is no
very satisfactory, & if the fort-
balances are freely drawn upon
it may be difficult to meet the
subsidy payment without having
recourse to and selling a portion
of the Ft. securities -

The Adequate provision would
no doubt have been made if I had
been consulted, at an earlier stage in my capacity of Fin Secy
of this case as required by the order of 6th May
& regularly
Comptroller

9.11.07
Submitted to Govt Secy
BK
11/11/07

11.11.07

[illegible]

clear
C.S.
13/11

Note—Contn. sheet

GPB—40,000—12-5-06

6965
20.11.07

Serial No. 617

Draft approved by Dewan. The amount up to which ~~loans~~ advances may be given during the current year may be ascertained ~~under~~ from the Comptroller & communicated to the Rev. Com^r

B.^o. 6a
22/11/07

2nd Hon Minister

Issue the order
and then ask ~~...~~
thereof

25.11.07

5 To - The Rev. Comr. and the Comptroller
No. H. 2573-4 of 26-11-07 (2876 of 26/11)

Directs that, under the circumstances explained a sum of Rs. 15,000/- be made available for loans to these Societies that the grant will not be repeated every year and the loans advanced to these Societies will be subject to the main conditions specified and that the detailed rules in regard to the grant and repayment of these advances will be issued under a separate notification and requests the Comptroller to place a sum of Rs. 15,000/- at the disposal of the Rev. Comr. for the purpose and to intimate the amount up to which advances may be given during the current year -

Submitted with a draft ~~as~~ forwarding the draft rules to the Rev. Comr. & asking him to have the same

NOTE—Contn. sheet

GPB—40,000—12-5-06

Serial No.

revised and returned to this office early.

BK
28/11/07.

Issue
28.11.07

6 To - The Revenue Commissioner in Mysore
No. H 2647 of 3-12-07

Forwards a draft of the detailed rules in regard to the grant and repayment of loans to be by Co-operative Societies and requests to have the same revised suitably for publication and returned to this office.

7 From - The Comptroller to the Govt. of H. H. the Maharaja
No. 3005/597 of 4-12-07

States that the whole amount of Rs. 15,000 ordered to be placed at the disposal of the Revenue Commr. may be advanced during the current year -

Submitted with a draft recording the above communication.

BK
6/12/07

Issue
6/12/07

1/41-2

8 To - The Revenue Commissioner in Mysore & the Comptroller - No H 2867-8 of 12-12-07
Records Serial No. 7.

From - The Revenue Commissioner in Mysore
No. 6082 of 9-12-07

States with reference to Serial No. 6, that he does not perceive the exact nature of the revision of the rules he

NOTE—Contn. sheet

G.S. S. 12]
General and Revenue Secretariat.

G. File No. 48 of 1906-07

Serial No.

has been asked to make and that the rules are practically the same as those sent up with his letter No. 6391 of 14-12-06 with the exception of a few of the conditions; points out that it is stated in Rule No. 4 in the Draft rules that the Registrar "may prescribe the number of instalments of repayment" whereas one of the conditions of advance as laid down in G.O. No. Fl 2514-5/B 48-06 of 26-11-07 is that "the loan shall be repaid in three annual instalments commencing after the lapse of the first two years, and that he does not know which the Govt. will adopt; and forwards the draft rules with the observation that they may perhaps require publication before issuing under clause 3 of section 2nd of the Regulation.

N

Submitted
BK
14/12/07
only;

In Rule 2 the following words have to be inserted.
'and be repayable in 3 annual instalments commencing after the lapse of the first two years'.

In Rule 4 the following words shd. be omitted
'~~and~~ may prescribe the no: of instalments of repayments and'. And in their place 'may prescribe' may be inserted.

These ~~alt~~ alterations are in ac-

Note—Contn sheet.

GIPB—50 000—17-3-07

G.R. S. 12]
General and Revenue Secretariat.

B File No. 48 of 1906-07

Serial No.	

accordance with the Govt. order thereon
Council Resn.
The rules require detailed publication
in the gazette before they can be sanc-
tioned -
Secy.
Issue the draft notn.

18/
14.12.07

18/
22/12

Submitted with the translation of the
draft notification for approval

18
28/12.

BK
21/1/08.

Seen
18/
29/1/08

10	To. The Compiler - Impore Gazette Notification No. H3137 of 30-12-07 Notifies that the draft rules proposed to be framed under the Impore Co-operative Societies Regulation No. 1 of 1905 are published for general information, that the draft will be taken up for final consideration on or after the 15th day of Jan 1908 and that all criticisms and suggestions received within that date will be duly considered.

Published in part III of the Gazette of 2.1.08 (Page 1-5)

No criticisms or suggestions have been received.
Submitted for orders with a draft notification.

BK
3/2/08.

4/2/8

Seen

NOTE—Contn. sheet

G. R. S. 12]
General and Revenue Secretariat.

Banking File No. 48 of 1906-07

Serial No.

The rule may now be finally issued

07 Dewan)

1924
6/1908

× Please see Dewan's note of this date in Banking File No 43 of 07 (re advance to Mokalsar Union Co-operative Bank) re an addition to Rule I

, file

Have these rules to be placed before Council? If not, issue with the alterations ordered by the Dewan —

The rules have already been approved in draft by Council & the alteration now to be made is very slight & it does not seem necessary to treat the case as a Council case again.

Please alter the draft as proposed in file 43 of 07 & return —

The draft is altered as directed.

Submitted.

Issue

Please see B 43-07

NOTE.—Contn sheet.

GPB—50,000—17-3-07

G. R. S. 12]
General and Revenue Secretariat.

B File No. 48 of 190 6

Serial No.

published in the Bombay gazette dt. 1906 3. part III p 20 6/07

To the Compiler, Bombay

Sir,

I am directed to forward herewith a copy of Notification No. 7L 6644 dated 20-6-08 notifying in continuation of the rules published under Notification No. 3507/Legis 21-06-3 dated 18-5-07 an increase of the powers conferred by the Bombay Corporation Sanitary Regulation III of 1905 the addition of certain other rules.

Note.—Contd. sheet.

GPB—50,000—17-3-07

G.R.S. 26]

File No. 50-06

Serial No. 1

Diary No. of letter replied to

No 704135

30-11-06

General and Revenue Secretariat
(Banking)
, *the* 30-11-190 6

To

The Rev. Jour. in Guyana

Date of issue do

Signed by W. MacKnight

Sir

I am directed to forward herewith ~~for your information~~ copy of the summary of discussion of the reply of Govt. ~~thereto~~ on the subject regarding the grant of Rs. 19,000 "Govt. help to Co-operative Societies" ~~recommended~~ by the members of the Representative Assembly held in October 1906 and to request that you will be so good as to obtain and forward the opinion of the Registrar of Co-operative Societies on the matter together with your own.

I have &c.

Over.

Secretary

SUBJECT.

No

OFFICE OF THE REV. COMR. IN MYSORE,

Bangalore.....14th December.....19(

FROM

A. RANGASWAMI IYENGAR ESQ., B. A., B L.
Revenue Commissioner in Mysore.

To

K.S. Chandrasekhara Aiyar Esq. B.A. B.L.
The Secretary to the Government of His Highness
the Maharaja of Mysore,
General & Revenue Departments.

SIR,

With reference to your letter No. Fl. 4135/ Gl. Fin. 48-06 dated the 30th November 1906 asking me to obtain and forward the opinion of the Registrar of Co-operative Societies, together with my own, in the matter of D.R.A. subject No. 197 regarding " Government help to co-operative Societies "I have the honor to forward herewith letter No. 157 dated the 10th instant together with its enclosures in original from the Registrar of Co-operative Societies and to state as follows:-

(1) The Registrar in para 2 of his letter refers to his letter No. 119 dated the 11th November 1906 wherein he has proposed certain rules to be framed under the Co-operative Societies Regulation. This letter has already been submitted in original to Government with my letter No. 5773 dated the 4th instant.

(2) The Registrar proposes that advances made to any society may be free of interest for three years after the date of its registration and bear interest at four per cent per annum thereafter. Though this is similar to what the Government of India have done, I am not for excusing any interest as this indulgence is not likely to serve as an inducement where the people are not otherwise disposed to form such societies and as the reduced rate of 4 per cent is in itself a great concession. I would suggest that interest may be charged at 4 per cent during the first three years after the registration of the society and at 5 per cent ~~thereafter~~ thenceforward.

02527
Rev. Commr. Form 12.

190

From

A. RANGASWAMI IYENGAR Esq. B. A., B. L.
Revenue Commissioner
in Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
General & Revenue Departments

Dated 14th

Despatched 18 December 1906

Received

No. 6371

Enclosure No.

Giving opinion in the matter of Government loan to Co-operative Societies.

(3) The Registrar is for prescribing that " the Government loan to a society, three-fourths of whose members are agriculturists, is not to exceed the amount collected in the shape of deposits or share-capital by the members." I would ~~////~~ fix 'half' as the minimum proportion of members who should be agriculturists, and also fix the ~~mi~~max~~n~~imum limit of Government loan at half the amount of share capital subscribed by the members. No account need be taken for this purpose of the amount of deposits made by the ~~////~~ members, as this is of a fluctuating nature and may be withdrawn at any time by the depositers.

(4) As regards the Registrar's proposal to encourage outside capitalists to make fixed deposits by providing that the Government would collect the deposits, when their payment falls due, on behalf of such depositors, as if they were advances made by Government, I may say that this is proposed on my suggestion to the Registrar and I am very much for it - if the Government could see their way for enacting such a rule. No responsibility need attach to Government and the members of the Co-operative Societies or their ~~unsound~~ secured creditors cannot reasonably object to it, while such a provision will make the members careful in dealing with the funds of the society and give great confidence to the investing public. It may be clearly laid down that the advance of the Government will be first realized and that no liability shall attach to Government if such dues should remain unrealised owing to delay or ~~////~~ negligence of the officers of Government or to deficiency of assets in the society or from other causes. I append a note of the modifications which I propose in the draft rules.

(5) If these Rules should be sanctioned by Government, provision ~~/~~ will have to be made in the Budget under the head " Advances to Co-operative Societies."

I have the honor to be,
Sir,
Your most obedient servant,

K Subbaraman
For Revenue Commissioner.

A.N.

Note

The draft Rules (for making loans to Co-operative Societies) of the Registrar may be modified as follows:-

(a) Sub para 2 of para 1 thereof will have to be re-written thus:- " The amount advanced to any society shall not exceed half the amount of capital subscribed by the members."

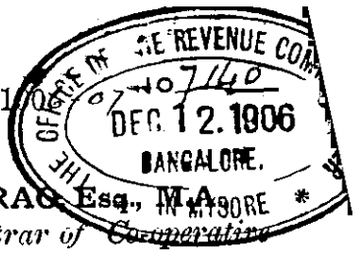
(b) Para 2 should be recast thus:- " All advances to a Society shall bear interest at 4 per cent per annum for three years after the date of the registration of the Society under the Co-operative Societies Regulation 1905, and shall subject to the provisions of Rule 9 (1) bear interest at 5 per cent per annum after the expiry of that period."

(c) With regard to the proviso in para 4 of the draft Rules, it is for Government to empower the Revenue Commissioner to advance loans up to the maximum limit of ₹2000/- or to prescribe any minor limit beyond which the advance of loans should receive the sanction of Government.

K Subbaraman

For Revenue Commissioner.

A.N.



From

M. SHAMA RAO Esq., M.A.,
Registrar of Co-operative Societies in Mysore.

To

A. Rangaswami Iyengar Esq.
B.A. B.L.,
Revenue Commissioner in
Mysore.

Dated 10th December 1906

Despatched 11

Received

General No. 157

No. C.S.

Enclosure No. 3

Submits opinion re-
the grant of loans to and
their recovery from the
Cooperative Societies.

12/12/06

20c

5

OFFICE OF THE REGISTRAR, OF CO-OPERATIVE SOCIETIES IN MYSORE.

No. 157 C.S. En. Three - Bangalore, 10/11 December 1906.

From

M. SHAMA RAO, Esq., M. A.,
Registrar, Co-operative Societies in Mysore.

To

A. Rangaswami Iyengar, Esq., B.A.,B.L.
Revenue Commissioner in Mysore.

SIR,

With reference to your docket No. 5835, dated 3rd instant calling for my opinion regarding the grant of Government help to Co-operative Societies, I have the honor to state that the question raised by Mr. Amble Annaiya Pundit, Representative Member, consists of two parts,- firstly, that Amildars may be empowered to recover the loans advanced to raiyats by Co-operative Societies, and secondly, that Government may advance a certain proportion of the capital collected by these Societies.

2. With regard to the first point, I have already submitted certain rules in my letter No. 119, dated 11th November last, which, if sanctioned, will enable the Co-operative Societies to settle their disputes without the cost and delay generally involved in resorting to a

Civil court. With regard to the second point, I beg to state that in my opinion, it is highly desirable that Government should advance a certain amount which may be equal to some proportion of the capital which may be actually raised by a Co-operative Society. "Such advances", as stated in the Resolution of the Government of India explaining the provisions of the Co-operative Societies' Act, dated 29th April 1904, "will have a value beyond their mere use as capital, since they will be an earnest of the reality of the interest taken by Government in the movement, and will, under the conditions to which it is intended to subject them, stimulate the thrift and self help which should be a condition precedent to their grant, and they doubt whether any substantial progress will be made by rural societies in many parts of the country unless such assistance is given." The main conditions prescribed by the Government of India for the guidance of local Governments in making advances are that such advances are to be made to rural societies in even fifties of rupees, free of interest during the first three years after the registration of any Society, the Government advance not exceeding in any case the total amount of money subscribed and deposited, or of share capital paid up by the members or a maximum of

Rs.2,000, and that the advances should be recovered after three years unless previouly wound up, in annual instalments not exceeding one-tenth of the advance, bearing interest at 4 per cent. Mr. Annaiya Pundit says in one part of his question that the amount to be advanced by Government may be one-fifth of the amount raised by a Society and in another part, he says that it may be half. I think that as far as Societies in this State are concerned, it may be prescribed that the Government loan to a Society, three-fourths of whose members are agriculturists, is not to exceed the amount collected in the shape of deposits or share-capital by the members, the deposits being the deposits of the members themselves and not from outsiders, subject to a limit of Rs. 2,000 as prescribed by the Government of India.

3. I also beg to state that the Government may encourage outside capitalists, i.e. capitalists who are not members of a Society to make fixed deposits of money for the use of these Societies by undertaking to collect the deposits in behalf of the depositors, if any default or delay is made by the Societies in repaying the deposits according to the terms stipulated. In such cases, it

may be necessary to lay down that the rate of interest at which deposits are made is not to exceed 5 per cent. per annum. It should also be made clear that in case the deposit is irrecoverable, no liability attaches to Government.

4. I append a few rules on the lines of those of Bengal for making advances of money by Government for your kind consideration.

The enclosures to the letter under reply are returned.

I have the honor to be

Sir,

Your most obedient servant

W. Shaw

Registrar.

Rules for making loans to Co-operative Societies in the Mysore State.

---o---

The conditions under which the Government will make loans to Co-operative Societies in the Mysore State are hereby published for general information:-

Amount of advance.

1. (1) The maximum advance that may be made to any Society is Rs.2,000.

(2) The amount advanced to any Society shall not exceed the amount of capital subscribed by the members.

Interest on advances.

2. All advances to any Society shall be free of interest for three years after the date of the registration of the Society under the Co-operative Societies Regulation,1905,and shall,subject to the provisions of rule 9 (1),bear interest at 4 per cent. per annum after the expiry of that period.

Application for an advance.

3. (1) A Society requiring an advance shall submit to the Registrar an application in Form A annexed to these rules.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar after satisfying himself as to the correctness of the statements made in the application,may sanction the payment of advances from any treasury or sub-treasury,and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid:

Provided that,without the special sanction of the Revenue Commissioner,no advance sanctioned by the Registrar shall exceed Rs.250,and that the number of annual instalments shall not exceed ten.

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance,his sanction shall be conveyed in an order in Form B annexed to these rules.

(2) The Registrar shall send the original order

to the Society;a duplicate copy to the Comptroller for issue of order of payment to the treasury concerned.

Payment of advance.

6 (1) Payment of any advance so sanctioned shall be made,to the persons authorized to receive the advance on behalf of the Society,on their ~~proof~~ producing the Registrar's order at the treasury named therein,and executing an agreement in duplicate in Form C annexed to these rules.

(2) When payment of an advance has been made,the original agreement shall be sent to the District Treasury for safe custody and the copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may,if sufficient cause is shown, and if all interest due has been paid,suspend the repayment of any instalment,

(2) Whenever the Registrar makes an order of suspension,he shall forthwith send a copy thereof to the Deputy Commissioner of the district and to the Comptroller

(3) When an order of suspension is made in respect of any instalment,the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Reduction when instalment repaid before due date.

8. If any instalment due from any Society is completely repaid more than one month before the due date, the Society shall be entitled to such reduction in the amount of any subsequent instalments as the Comptroller may determine.

Procedure where instalment not repaid on due date.

9. (1) If any instalment due from any Society is not fully repaid on the due date,interest at 6 per cent. per annum to the date of repayment shall be recoverable on the amount overdue,unless the Registrar by special order exempts the Society from this liability. Such orders are to be formally reported for the approval of the Revenue Commissioner.

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(2) The Deputy Commissioner to whom any instalments are repayable shall give ~~xxx~~ prompt notice to the Registrar of any default in repayment of any instalment.

G.R.S. [26]

File No. 48-C

Serial No. 3

Diary No. of letter replied to 2527

No 4350

8/11-1-07

General and Revenue Secretariat

(Hawking)

the 11—1—1907

To The Registrar of Co-operative ~~The Asst. Commissioner~~ Societies ~~in Bangalore~~ in Mysore

Date of issue —do—

Signed by W Sonnenschein

Sir

Adverting to your letter No. 157 of the 11th Jan. 06 to the Govt. ~~639 of the 14th December 1906 submitting~~ for ~~sanction~~ draft rules for grant of advances by Govt. to Co-operative Societies I am directed to request you to be so good as to ~~forward~~ for reference ~~to Government~~ with a copy of the rules in Bengal upon which the rules above referred to have been based as also those obtaining in other Provinces except Punjab.

I have &c

H Gill

for Secretary

over.

W 10/1

Gill 9/1/07

SUBJECT.

WW

D 2892 — 4 B 48-06

190

From

M. SHAMA RAO, Esq., M.A.,
Registrar of Co-operative Societies in Mysore.

To B 48-06

K.S.Chendrasekhara Iyer, Esq. B.A. B.L.
Secretary to the Govt. of Mysore.

Dated 17th January 1907.

Despatched

Received

General No. 186 C.S.
No.

Enclosure No. 2 sets of Rules.

Submitting copies of Bengal and Coorg Rules re advances to Co-operative Societies.

13

No. 186

Office of the Registrar,
Co-operative Societies in Mysore.
Bangalore 11th January 1907.

From

M. Shama Rao, Esq.,M.A.,
Registrar of Co-operative Societies
in Mysore.

To

K.S. Chendrasekhara Iyer,Esq.,B.A.,B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore,Genl.& Rev. Dept.

Sir,

With reference to your No.Fl 5350/B.48-06-2 dated the 11th instant regarding the rules for the grant of advances by Government to Co-operative Societies I have the honor to forward herewith Copies of Bengal and Coorg Rules as requested therein. I do not possess copies of rules on the subject obtaining in other provinces.

I have the honor to be,
Sir,
Your most obedient servant,

M. Shama Rao

Registrar.

Notification. (Bengal)

No.2446LR..-The 29th August 1905.- The conditions under which Government will make loans to Co-operative Credit Societies are hereby published for general information:-

Amount of advance.

1. (1) The maximum advance that may be made to any Society is Rs.2,000.

(2) The amount advanced to any Society shall not exceed the amount of capital subscribed by the members.

Interest on advance.

2. All advances to any Society shall be free of interest for three years after date of the registration of the Society under the Co-operative Credit Societies Act,1904,and shall,subject to the provisions of rule 9 (1),bear interest at 4 per cent. per annum after the expiry of that period.

Application for an advance.

3. (1) A Society requiring an advance shall submit to the Registrar,through the Collector,an application in Form A annexed to these rules.

(2) In forwarding any such application,the Collector shall certify whether or not the statements therein contained are supported by the Society's accounts.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar may sanction the payment of advances from any treasury or sub-treasury,and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid.

Provided that,without the special sanction of the Local Government,the number of annual instalments prescribed shall not exceed twenty.

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance,his sanction shall be conveyed in an order in Form B annexed to these rules.

(2) The Registrar shall send the original order to the Society,a duplicate copy through the Accountant-General for issue of order of payment to the treasury or sub-treasury concerned,and a triplicate copy to the Collector.

Payment of advance.

6. (1) Payment of any advance so sanctioned shall be made to the persons authorized to receive the advance on behalf of the Society,on their producing the Registrar's

(15

order at the treasury or sub-treasury named therein,and executing an agreement in duplicate in Form C annexed to these rules:

Provided that,when application for payment is made at a sub-treasury,the Officer in charge of the sub-treasury shall forward the agreement,together with a copy of the order of sanction,to the Treasury Officer of the district for scrutiny and countersignature before payment.

(2) When payment of an advance has been made,the original agreement shall be filed in the Revenue Department of the Collectorate at which payment is to be made,and the copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may,if sufficient cause is shown,and if all the interest due has been paid,suspend the repayment of any instalment.

(2) Whenever the Registrar makes an order of suspension he shall forthwith send a copy thereof to the Treasury Officer of the district and to the Accountant-General.

(3) When an order of suspension is made in respect of any instalment,the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Reduction when instalment repaid before due date.

8. If any instalment due from any Society is completely repaid more than one month before the due date,the Society shall be entitled to such reduction in the amount of any subsequent instalments as the Collector may determine.

Procedure where instalment is not repaid on due date.

9. (1) If any instalment due from any Society is not fully repaid on the due date,interest at 6 per cent. per annum to the date of repayment shall be recoverable on the amount overdue,unless the Registrar by special order exempts the Society from this liability. Such orders to be formally reported for the approval of the Board of Revenue.

(2) The Collector or Subdivisional Officer to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment..

Form A.

Application for an advance from the Government.

(see Rule 2.)

1. We, the undersigned, being duly empowered in this behalf by the Committee of _____ Co-operative Credit Society (Limited), apply for an advance of Rs._____(in words)_____ from the Government, to be paid at the_____treasury (or sub-treasury).

If the by-laws of the Society do not empower the Committee to borrow money on behalf of the Society, these words in italics should be deleted.

2. The amount of capital raised as shares, or as deposits received from members, is Rs._____(in words)_____.

3. We request that the advance may be made repayable at the _____treasury (or sub-treasury) in _____ annual instalments, the date of payment in each year being _____.

4. Particulars of the indebtedness of the Society are as follows:-

(a) Due to members on account of deposits,_____ _____ rupees.

(b) The amount borrowed from other sources, and the interest payable on each amount borrowed, are as under:-

Amount borrowed.	From whom.	Rate of interest.	Condition as to repayment.

5. We attach hereto a copy of the Resolution of the Committee / the Society, authorizing the taking of an advance from the Government and specifying the members of the Committee who may, in conjunction with the Secretary, receive the amount and enter into an agreement with the Government for its repayment.

Dated_____.

Signature of Secretary_____.

Signature of three members: (_____
(_____
(_____

To

The Registrar,

Co-operative Credit Societies.

Through the Collector of _____

No. of

Dated_____.

Collector of_____

Form B.

Order sanctioning an advance by the Government.

(see Rule 5.)

Registrar's No.

1. Sanction is accorded to the payment of an advance of Rs._____(in words) from the_____ treasury (or sub-treasury) to the under-mentioned Society subject to the following conditions as to re-payment:-

Name of Society

Registered address

Number of annual instalments of re-payment

Date on which each instalment is to be recovered

2. The date on which the Society was registered is the_____ and the advance is free of interest for three years from that date.

3. The budget allotment for such advances in the year 19 is Rs._____. The aggregate amount of advances hitherto sanctioned during the year is Rs._____.

4. The persons recognized as authorized by the

Society to enter into an agreement for repayment of the advance are the Secretary and any three of the members of committee named below:-

Name of Secretary_____.

Name of members :
(1) _____
(2) _____
(3) _____
(4) _____

Registrar,

Co-operative Credit Societies.

Form C.

Agreement to be executed on behalf of a Co-operative ~~Credit~~ Credit Society obtaining an advance from the Government

(see Rule 6).

We, the undersigned, being duly empowered in this behalf by the Committee of the _____ Co-operative Credit Society_____ under the by-laws of the Society, acknowledge to have received from the Government the sum of Rs._____ as an advance to that Society; and we undertake, on behalf of the Society, to repay the said advance, with interest, in the following_____ ~~instalments~~ annual instalments, each instalment being payable on the date shown opposite thereto:-

If the bylaws of the Society do not empower the Committee to borrow money on behalf of the Society, these words in italics should be deleted.

Principal.	Interest.	Total	Date.
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			

2. We ~~agree~~ further agree to pay interest at 6 per ~~cent~~ cent. per annum on any instalment or portion of an instalment which is not on due date, such interest to run from due date, to date of payment.

3. We declare that, since the application in Form A was submitted to the Registrar, the Society's indebtedness, either to members or to non-members, has not increased, otherwise than by the accrual of interest on debts specified in the application.

Date_____.

Signatures.
(1)_____
(2)_____
(3)_____
(4)_____

Witnesses' signatures:
(1)_____
(2)_____

a copy"

Registrar of Co-operative Societies
ir Mysore.

Rules under Section 27 of the Co-operative Credit Societies Act,X of 1904,for Coorg.

Rules.

1. The maximum loan payable to any society is Rs.2000

2. The amount advanced to a society shall not exceed the amount of capital subscribed or deposited by the members which is not repayable by the society within five years from the date of subscription or deposit.

3. Such advances will be free of interest for three years after the date of registration,and after the expiry of that period will bear interest at 4 per cent. per annum.

4. A society requiring an advance shall apply to the Registrar in the Form "A" appended to these rules.

5. The Registrar shall,if he considers the application should be granted,forward it,together with details of the financial position of the society in Form "B",to the Commissioner in whom is vested the power to sanction advances subject to the general control of the Chief Commissioner,whose specific approval shall be obtained in every case where the number of annual instalments of repayment exceeds 20.

6. After sanction has been obtained for the disbursement of the advance,the Registrar shall decide whether the amount so sanctioned shall be disbursed in instalments,and if so,in what instalments.

7. For each payment so disbursed an agreement in Form "C" shall be executed by the members of the committee of the society concerned.

8. The Commissioner may,if sufficient cause is shown by the Registrar,suspend the recovery of any instalment of principal if the interest is paid. The result of such suspension will be to postpone that instalment and all subsequent instalments for the period of one instalment. The Commissioner's order of suspension shall be communicated to the Treasury Officer.

9. If any instalment is completely repaid more than one month before the due date,the society will be entitled to such reduction in the amount of any subsequent instalments as the Commissioner may determine.

10. In the event of an instalment of a loan not being fully repaid on the due date,compound interest at 6 per cent. per annum to date of payment shall be recoverable on the amount overdue,unless the Registrar by special order exempts the society from this liability.

11. It shall be the duty of the officer in charge of the treasury,to give prompt notice to the Registrar of default in the repayment of an instalment.

--oOo--

Form A.

1. We,the undersigned,being duly empowered in this behalf by the Committee of the _____ Co-operative Society (Limited) apply for an advance of Rs. _____(in words)_____ from Government to be repaid at the sub-treasury at _____

2. The amount of capital raised as shares and as debentures or deposits received from members and not payable within five years is Rs._____(in words)_____.

3. We request that the advance may be made repayable at the sub-treasury in _____ annual instalments,the date of repayment in each year being _____.

4. Particulars of the indebtedness of the society are as follows:-

(a) Due to members on account of deposits Rs._____.

(b) Due to members on account of debentures Rs.___.

(c) The amount borrowed from other sources and the interest payable on each amount borrowed are as under:-

Amount borrowed.	From whom.	Rate of interest.	Conditions as to repayment.

Dated_____.

Signatures of the members of Committee

To

The Registrar,

Co-operative Credit Societies.

Form B.

1. Sanction is requested for the payment of an advance of Rs._____(in words)_____from the sub-treasury_____ to the undermentioned society, subject to the following conditions as to repayment:-

Name of society:

Number of annual instalments of repayment:

Date on which instalment is to be recovered.

2. The date on which the society was registered is_____ and the advance is free of interest for three years from that date.

3. The budget allotment for such advances in the year 190...is Rs._____. The aggregate amount of advances hitherto sanctioned is Rs._____.

4. The persons recognized as authorized by the society to enter into an agreement for the payment are the Secretary and the members of the Committee named below:-

Name of Secretary _____

Name of the members of Committee: (
(
(
(

Registrar,

To Co-operative Credit Societies.

The Commissioner of Coorg.

Form C.

Form of agreement to be executed on behalf of a Co-operative Credit Society obtaining an advance from Government.

We, the undersigned, being duly empowered in this behalf by the Committee of* the _____ Co-operative Credit Society_____ _____ under the by-laws of the Society acknowledge to have received from Government the sum of Rs. _____ as a loan to that Society, and we undertake on behalf of the Society to pay the loan with interest in the following_____annual instalments, each instalment being payable on the date shown opposite thereto:-

* If the by-laws of the Society do not empower the Committee to borrow money on behalf of the Society, these words should be deleted.

Principal.	Interest.	Total.	Date.
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			

2. We further agree to pay compound interest at 6 per cent. per annum on any instalment or portion of an instalment which is not paid on the due date, such interest to run from due date to date of payment.

3. We declare that since the application in Form A was submitted to the Registrar, the Society's indebtedness either to members or to non-members has not increased otherwise than by the accrual of interests on debts specified in the application and by reason of the transactions subsequent to the submission of the application which are specified on the reverse of this agreement.

Dated_____.

Signatures:

Witnesses' signatures. (1)_____

(2)_____

----oooOooo----

"Copy"

K. V. Chamarao.

(5)

B 48-06-07 dt.5-

Proceedings of the Govt of H.H. the Maharaja of Mysore.

Read. -

Correspondence ending with letter No.6391 of the 14th December 1906 from the Revenue Commissioner in Mysore submitting with his remarks letter No.157 of the 10th idem from the Registrar of Co-operative Societies in Mysore, regarding the grant of Government help to Co-operative Societies.

.....

ORDER THEREON. - No. H 2573-4
B 48-06-5
Dated Bangalore, 26-11-1907.

One of the representations made at the meeting of the Representative Assembly held in October 1906 was that, in view of the inability of Co-operative Societies to raise the entire capital required for their working, the Government might advance loans to ~~Co-operative~~ such Societies up to a certain proportion of the funds collected by the . The views of the Revenue Commissioner and the Registrar of Co-operative Societies were invited on this proposal and their recommendations are on the lines of the practice obtaining

immediately after formation

in this respect, in some of the British Provinces.

It is urged that in the early stages of a Society's existence a loan from Government free of interest for a time will enable the newly started Co-operative Society to bear the cost of establishment and other incidental expenses out of the interest realized on the amount, till the Society collects its own capital and is able to shift for itself. The grant of small loans from Government will also serve as an indication of the ~~Govt's~~ interest of Govt. in the Societies. It is also urged that what is wanted is not so much material assistance as something to show that the Co-operative Societies ~~can~~ command the confidence of Government.

Government are accordingly pleased to direct that a sum of 15,000 Rs. be made available for loans to these Societies. The grant will not be repeated every year and the loans advanced to these Societies will be subject to the following main conditions:-

(1) The loan will not exceed the paid up share capital of the Society and shall also not exceed Rs.2,000 in any case,

(2) the loan will be free of interest for the first two years, and

will

will afterwards bear interest at five per cent per annum,

(3) the loan shall be repaid in three annual instalments commencing after the lapse of the first two years.

The detailed rules in regard to the grant and repayment of these advances will be issued under a separate notification.

The Comptroller will be requested to place a sum of Rs.15,000 at the disposal of the Revenue Commissioner for the purpose.

Offg: Secretary.

To,

The Revenue Commissioner in Mysore.

W 7625 Copy to The Comptroller, with a request that the amount up to which advances may be given during the current year may be intimated at an early date

25.11.7

G.R.S. 26]

File No. 48-06

Serial No. 6

Diary No. of letter replied to 25271 / 2892.

No. H 2647

General and Revenue Secretariat
(Banking)
the 190 .

Date of issue 3 Dec 07

Signed by M S Srinivasayya

To

3-12-07

The Revenue Commissioner
in Mysore

Sir

With reference to order of Govt. Endo H 2513-4/B.48-06-5 of the 26th November 1907 directing that a sum of Rs. 15,000/- be made available for loans to Co-operative Societies, I am directed to forward herewith a draft of the detailed rules in regard to the grant and repayment of these loans and to request that you will be so good as to have the same revised

over.

SUBJECT.

Suitably for publication and returned
to this office at your earliest convenience

I have the
28.11.7
For Secl. Secy.

List of enclosures

Copied by 30/11.

Examined by

MGCPB—30,000—16-2-05

No. 3005 — 87

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 4-12- 1907.

FROM

~~U.N. MAJUMDAR, ESQ.,~~
THE COMPTROLLER, MYSORE GOVERNMENT.

To

~~_____ Esq.~~
THE SECRETARY TO THE GOVERNMENT OF MYSORE,
Financial
_____ DEPARTMENT.

SIR,

With reference to your Memo No. Fl-2516/B.48-06 of the 26th Ultimo asking me to intimate the amount up to which advances to Cooperative Societies may be given during the current year, I have the honour to state that the whole amount of Rupees 15000/- ordered to be placed at the disposal of the Revenue Commissioner may be advanced during the current year.

I have the honour to be,

Sir,

Your most obedient servant,

Assistant Comptroller.
(in charge).

G.R.S. 28]

(8)

File No. 48-06

Serial No.

Diary No. of letter replid to 1947

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.
(Banking)

, *the* 190

Date of issue

Signed by

READ.—

G. O. No. R 2513-4/B. 48-06-5 dated the 26th November 1907 directing that a sum of Rs. 15,000/- be made available for loans to Co-operative Societies and requesting the Controller to place at the disposal of the Rev. Commr. for the purpose and to intimate the amount up to which advances may be given during the current year.

Letter No. 3005/577 of the 4th

over

SUBJECT

Copied 10/12.

MGCPB—20,000—24-2-05

December 1907 from the Comptroller to the Lord't H.H. the Maharaja stating that the whole amount of Rs. 15,000/- above referred to may be advanced to him during the current year.

Order thereon:- No 7C 2867-8 / B 48-07-8 dt 12-12-07

Recorded.

16/12/17

for Secl-Secy.

Do. The Rev. Comr. in Mysore a Comptroller.

No. 6082
one

OFFICE OF THE REV. COMR. IN MYSORE,
Bangalore....9th..December.....1907.
11

FROM

A. RANGASWAMI IYENGAR ESQ., B. A., B. L.
Revenue Commissioner in Mysore.

To

The Secretary to the Government of His Highness
the Maharaja of Mysore,
General and Revenue *Department.*

SIR,

With reference to your letter No.Fl.2647/B.48-06-6 dated the 3rd instant forwarding certain draft rules initialled by your predecessor under dated 23rd March 1907 in regard to the grant of loans to Co-operative Societies and desiring to "have the same revised suitably for publication", I have the honor to state that I do not percieve the exact nature of the revision that I have been asked to make. These rules are practically the same as those sent up with my letter No. 6391 dated the 14th December 1906 with the exception of the following:-

(i) The loan is to be free of interest for the first 2 years and thereafter subject to 5 per cent, instead of being charged at 4 per cent for the first 3 years and at 5 per cent thereafter as proposed by me.

(ii) The maximum limit to the loan is to be the amount of paid up share capital of the Society instead of half the paid up capital.

There is no objection to the alterations made as above in the draft rules..

2. I may also here point out, that it is stated in Rule No.4 in the Draft rules that the Registrar 'may prescribe

the

Rev. Com
Form 12.

190

(9)

From

A. RUNGASWAMI IYENGAR, Esq., B.A., B.L.,

Revenue Commissioner,

D 2038.

in Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
Department.

Dated 9th Decr 1907

Despatched 11

Received

No. 6082

Enclosure No. One

Making certain observations in regard to the draft rules proposed for the grant of loans to Cooperative Societies

Young & Co., Printers, Bangalore, 2,000—25-11-07

the number of instalments of repayment", whereas one of the conditions of advance as ~~ka~~ laid down in Government Order No.Fl.2514-5/B.48-06 dated the 26th November 1907 is that . "the loan shall be repaid in three annual instalments comme -ing after the lapse of the first two years". I do not know which the Government will adopt.

3. The draft rules are herewith returned with the observation that they may perhaps require publication before passing under clause (3) of Section 27 of the Regulation.

I have the honor to be,

Sir,

Your most obedient servant

For Revenue Commissioner.

B.K.R.

(10)

Published in part III of the M.G. G. 2-1-08. on page (46-3)

Notification
No. H 3137 of 30
B 48-06 (10) Dec/07
Draft

The following (draft) rules proposed to be issued under the for Impose Co-operative Societies Regulation, III of 1905, are published for general information. The draft will be taken into consideration on or after the 1st day of Feb. 1908.

All criticisms and suggestions received within this date will be duly considered.

B. O.

Secretary to Govt
Genl. & Rev. Dept

25.3.7

Rules for making loans to Co-operative Societies in the Empire State.

Amount of advance

1. (1) Loans not exceeding Rs. 2000 in any case, may be made to any co-operative society at least one-half of the members whereof are agriculturists.

(2) The amount advanced to any society shall not exceed half the amount of capital the paid up shares of the society subscribed by the members.

Interest on advances.

2. All advances to a society shall bear interest at 1-4 per cent per annum for three years (after the date of the registration of the society under the co-operative Societies Regulation

shall be free of interest for the first two years and will subject to [illegible] bear interest afterwards from 5% per annum

Instalments for repayment

The advance shall be repaid not more than in three annual instalments commencing after the lapse of ~~the first~~ two years after the drawing of the advance

Application for an advance.

£ 175 and shall be subject to the provisions of Rule 8(1) for interest at 5 per cent per annum after the expiry of that period.

3. A Society requiring an advance shall submit to the Registrar an application in Form F annexed to these Rules.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar after satisfying himself as to the correctness of the statements made in the application, may sanction the payment of advances from any treasury or sub-treasury and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid:

Provided that without the special sanction of the Revenue Commissioner, no advance sanctioned by the Registrar shall exceed Rs. 250, ~~and that the amount of annual instal-~~ ~~-ment shall not exceed~~

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance, his sanction shall be conveyed in an order in form A annexed to these rules.

(2) The Registrar shall send the original order to the Society; a duplicate copy to the Treasury Officer for issue of order of payment to the treasury concerned.

Payment of advance.

6. (1) Payment of any advance so sanctioned shall be made, to the persons authorised to

receive the advance on behalf of the Society, or their proxies, the Registrar's order at the treasurer named therein, and exercising an agreement in duplicate in form 2 annexed to these rules.

(2) When payment of an advance has been made, the original agreement shall be sent to the District Treasurer for safe custody, and the appropriate form sent to the Registrar.

Power to suspend payment of instalment.

7. (1) The Registrar may, if sufficient cause is shown, and if all interest due has been paid, suspend the payment of any instalment.

(2) Whenever the Registrar makes an order of suspension, he shall

for with send a copy thereof to the Deputy Commissioner of the District and to the Comptroller.

(3) Where an order of suspension is made in respect of any instalment, the payment of that instalment and of subsequent instalments shall be postponed for one instalment period.

Procedure where instalment not paid on due date.

8. (1) If any instalment due from any society is not duly paid on the due date, interest at 6 per cent per annum to the date of payment shall be recoverable on the amount overdue, unless the Registrar by special order exempts the Society from this liability. Such orders are to be formally reported for the approval of the Revenue Commissioner.

(2) The Deputy-Commissioner to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment.

1
15/2/19
Secy

25.3.

To

The Compiler-Imperial Gazette
for publication.

Form A

Application for an advance from the Govt.

(See Rule 3)

If the bye laws of the Society do not empower the Committee to borrow money on behalf of the Society these words in italics should be deleted.

1. We the undersigned, being duly empowered in this behalf by the Committee of the Cooperative credit Society (limited), apply for an advance of Rs — in words from Treasury (or Sub Treasury)

2. The amount of capital raised as shares, or as deposits received from the members, is Rs — (in words).

3. We request that the advance may be made repayable at the Treasury (or Sub Treasury) in annual instalments, the date of payment in each year being

4. Particulars of the indebtedness of the Society are as follows:

(a) due to members on account of deposits Rs.

(b) The amount borrowed from other sources, & the interest payable on each amount borrowed are as under —

Amount borrowed	From whom	Rate of interest	Condition as to repayment.

5 We attach hereto a copy of the resolution of the Committee authorising the taking of an advance from the Govt & specifying the members of the committee who may in conjunction with the Secretary, receive the amount & enter into an agreement with the Govt for its repayment.

Dated ——

Signature of Secretary ——

Signatures of three members { ——
——
——

To

The Registrar
Cooperative Credit Societies

Form B

Order sanctioning an advance by the Govt.

(See Rule 5.)

Registrar's No.

1. Sanction is accorded to the payment of an advance of Rs (in words) from the treasury (or sub-treasury) to the undermentioned Society subject to the following conditions as to repayments:—

Name of Society

Registered address

Number of annual instalments of repayment.

Date on which each instalment is to be recovered.

2. The date on which the Society was registered is the + the advance is free of interest for three years from the date

3. The budget allotment for such advances in the year 19.. is Rs. .... The aggregate amount of advance hitherto sanctioned during the year is Rs.

4. The persons recognised as authorised by the Society to enter into an agreement for repayment of the advance are the secretary + any three of the members of Committee named below:

Name of Secretary

Names of members { 1 2 3 4

Registrar
Co-operative Credit Soc

Form 6

Agreement to be executed on behalf of a Co-operative Credit Society obtaining an advance from the Govt. (see Rule 6)

We the undersigned being duly empowered in this behalf by the Committee of * the Co-operative Credit Society, under the bye-laws of the society, acknowledge to have received from the Govt. the sum of Rs ..... as an advance to that society, & we undertake on behalf of the Society to repay the said advance with interest in the following ..... annual instalments, each instalment being payable on the date shown opposite thereto:—

* If the bye laws of the society do not empower the Committee to borrow money on behalf of the society, these words in brackets should be deleted.

Principal	Interest	Total	Date
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20.			

2. We agree that the amount of the advance shall be repayable on demand (1) if default is made in the repayment of any instalment the repayment of which is not suspended by the Registrar; or (2) if the deposits of the Society so increase or its business is so conducted that, in the opinion of the Registrar, immediate repayment is desirable.

3. We declare that, since the application in Form A was submitted to the Registrar, the Society's indebtedness, either to its members or to non members, has not increased, otherwise than by accrual of interest on debts specified in the application.

Dated ———

Signatures { 1 2 3 4

Witnesses to signature { 1 2

Notification No. Fl. 3131—B. 48-07-10, dated 30th December 1907.

The following draft rules proposed to be issued under the Mysore Co-operative Societies Regulation, III of 1905, are published for general information. The draft will be taken up for consideration on or after the 1st day of February 1908.

All criticisms and suggestions received within this date will be duly considered.

By Order,
C. S. BALASUNDARAM IYER,
Offg. Secy. to Govt., Gen. & Rev. Depts.

RULES FOR MAKING LOANS FROM STATE FUNDS TO CO-OPERATIVE SOCIETIES IN THE MYSORE STATE.

Amount of advance.

1. (1) Loans from State Funds not exceeding Rs. 2,000 in any case may be made to any Co-operative Society at least one-half of the members whereof are agriculturists.

(2) The amount advanced to any society shall not exceed the paid-up share capital of the society.

Interest on advances.

2. All advances to a society shall be free of interest for the first two years and will afterwards, subject to Rule 8 (1), bear interest at 5 per cent per annum.

Instalments for repayment.

The advances shall be repayable in not more than three annual instalments commencing after the lapse of two years after the grant of the advance.

Application for an advance.

3. A society requiring an advance shall submit to the Registrar an application in Form A annexed to these rules.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar after satisfying himself as to the correctness of the statements made in the application, may sanction the payment of advances from any treasury or sub-treasury, and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid.

Provided that, without the special sanction of the Revenue Commissioner, no advance sanctioned by the Registrar shall exceed Rs. 250.

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance, his sanction shall be conveyed in an order in Form B annexed to these rules.

(2) The Registrar shall send the original order to the society; a duplicate copy to the Comptroller for issue of order of payment to the treasury concerned.

Payment of advance.

6. (1) Payment of any advance so sanctioned shall be made to the persons authorised to receive the advance on behalf of the Society, on their producing the Registrar's order at the treasury named therein, and executing an agreement in duplicate in Form C annexed to these rules.

(2) When payment of an advance has been made, the original agreement shall be sent to the District Treasury for safe custody and the copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may, if sufficient cause is shown, and if all interest due has been paid, suspend the repayment of any instalment.

(2) Whenever the Registrar makes an order of suspension, he shall forthwith send a copy thereof to the Deputy Commissioner of the district and to the Comptroller.

(3) When an order of suspension is made in respect of any instalment, the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Procedure where instalment not repaid on due date.

8. (1) If any instalment due from any society is not fully repaid on the due date, interest at 6 per cent per annum to the date of repayment shall be recoverable on the amount overdue, unless the Registrar by special order exempts the society from this liability. Such orders are to be formally reported for the approval of the Revenue Commissioner.

(2) The Deputy Commissioner to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment.

FORM A.

Application for an advance from the Government.

1. We, the undersigned, being duly empowered in this behalf by *the Committee of* *.....Co-operative Society, Limited., apply for an advance of Rs.....(in words)..... .....from the Government, to be paid at the .....Treasury.

*If the by-laws of the society do not empower the committee to borrow money on behalf of the society, these words should be deleted.

2. The amount of capital raised as shares, or as deposits received from members, is Rs.....(in words)..... .....

3. We request that the advance may be made repayable at the..... Treasury in.....annual instalments, the date of payment in each year being .

4. Particulars of the indebtedness of the society are as follows:—

(*a*) Due to members on account of deposits,.....rupees.

(*b*) The amount borrowed from other sources, and the interest payable on each amount borrowed are as under—

Amount borrowed	From whom	Rate of interest	Condition as to repayment

5. We attach hereto copy of the resolution of the $\frac{\text{Committee}}{\text{Society}}$ authorizing the taking of an advance from the Government and specifying the members of the Committee who may, in conjunction with the Secretary, receive the amount and enter into an agreement with the Government for its repayment.

Dated.....

Signature of Secretary .....

Signature of three members.....

To

The Registrar, Co-operative Societies.

FORM B.

Order sanctioning an advance by the Government.

Registrar's No.....

1. Sanction is accorded to the payment of an advance of Rs..... ... (in words) from the... .....treasury to the undermentioned society subject to the following conditions as to payment :—

Name of society..... .....

Registered address.....

Number of annual instalments of repayment..... ....

Date on which each instalment is to be recovered.....

2. The date on which the society was registered is the..... and the advance is free of interest for two years from that date.

3. The budget allotment for such advances in the year 190 is Rs..... The aggregate amount of advances hitherto sanctioned during the year is Rs.....

4. The persons recommended as authorized by the society to enter into an agreement for repayment of the advance are the Secretary and any three of the members of committee named below.

Name of Secretary.....

Names of members (1).....
(2).....
(3).....
(4).....

Registrar, Co-operative Societies.

FORM C.

Agreement to be executed on behalf of a Co-operative Society obtaining an advance from the Government.

We, the undersigned, being duly empowered in this behalf by the *Committee of* the.....Co-operative Society.....under the by-laws of the society, acknowledge to have received from the Government the sum of Rs.....as an advance to that society; and we undertake on behalf of the society to repay the said advance, with interest, in the following.....instalments, each instalment being payable on the date shown opposite thereto:—

*If the by-laws of the society do not empower the committee to borrow money on behalf of the societys, these words should be deleted.

	Principal	Interest	Total	Date
1				
2				
3				
4				
5				

2. We further agree to pay interest at 6 per cent per annum on any instalment or portion of an instalment which is not paid on due date, such interest to run from due date to date of payment.

3. We declare that, since the application in Form A was submitted to the Registrar, the society's indebtedness either to members or to non-members, has not increased otherwise than by the accrual of interest on debts specified in the application.

Date.....

Signatures (1).....
(2).....
(3).....
(4).....

Witnesses' signatures (1).....
(2).....

published
in part II pp. 191 3
dated 20/6/08

Notification - No. H 6614
B 48-06
dated 20-6-08

In continuation of the rules published with Notification No J. 3507/Legis 21-06-3 of the 18th May 1907 and in exercise of the powers conferred by the Mysore Co-operative Societies Regulation III of 1905, the Govt. of H.H. the Maharaja of Mysore are pleased to make the following additional rules.

By order

Copied 20/6/08

Translated 30/6/08 DCS.

C.S. Balasundaram
Offg. Secy to Govt.

1. The Compiler, Rev. G, is to request that Govt. Press may be asked to supply 1000 copies of this Notification to the Registrar of Co-operative Societies Dept.

Notification No. Fl. 3137—B. 48-07-10, dated 30th December 1907.

The following draft rules proposed to be issued under the Mysore Co-operative Societies Regulation, III of 1905, are published for general information. The draft will be taken up for consideration on or after the 1st day of February 1908.

All criticisms and suggestions received within this date will be duly considered.

By Order,
C. S. BALASUNDARAM IYER,
Offg. Secy. to Govt. Gen. & Rev. Depts.

RULES FOR MAKING LOANS FROM STATE FUNDS TO CO-OPERATIVE SOCIETIES IN THE MYSORE STATE.

Amount of advance.

1. (1) Loans from State Funds not exceeding Rs. 2,000 in any case may be made to any Co-operative Society at least one-half of the members whereof are agriculturists, or any other Co-operative Society with the special sanction of Government.

Jran Ned 30/6/08 Ses.

(2) The amount advanced to any society shall not exceed the paid-up share capital of the society.

Interest on advances.

2. All advances to a society shall be free of interest for the first two years and will afterwards, subject to Rule 8 (1), bear interest at 5 per cent per annum.

Instalments for repayment.

The advances shall be repayable in not more than three annual instalments commencing after the lapse of two years after the grant of the advance.

Application for an advance.

3. A society requiring an advance shall submit to the Registrar an application in Form A annexed to these rules.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar after satisfying himself as to the correctness of the statements made in the application, may sanction the payment of advances from any treasury or sub-treasury, and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid.

Provided that, without the special sanction of the Revenue Commissioner, no advance sanctioned by the Registrar shall exceed Rs. 250.

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance, his sanction shall be conveyed in an order in Form B annexed to these rules.

(2) The Registrar shall send the original order to the society; a duplicate copy to the Comptroller for issue of order of payment to the treasury concerned.

Payment of advance.

6. (1) Payment of any advance so sanctioned shall be made to the persons authorised to receive the advance on behalf of the Society, on their producing the Registrar's order at the treasury named therein, and executing an agreement in duplicate in Form C annexed to these rules.

(2) When payment of an advance has been made, the original agreement shall be sent to the District Treasury for safe custody and the copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may, if sufficient cause is shown, and if all interest due has been paid, suspend the repayment of any instalment.

(2) Whenever the Registrar makes an order of suspension, he shall forthwith send a copy thereof to the Deputy Commissioner of the district and to the Comptroller.

(3) When an order of suspension is made in respect of any instalment, the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Procedure where instalment not repaid on due date.

8. (1) If any instalment due from any society is not fully repaid on the due date, interest at 6 per cent per annum to the date of repayment shall be recoverable on the amount overdue, unless the Registrar by special order exempts the society from this liability. Such orders are to be formally reported for the approval of the Revenue Commissioner.

(2) The Deputy Commissioner to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment.

FORM A.

Application for an advance from the Government.

1. We, the undersigned, being duly empowered in this behalf by *the Committee of* *.....Co-operative Society, Limited., apply for an advance of Rs.....(in words)..... .....from the Government, to be paid at the .....Treasury.

*If the by-laws of the society do not empower the committee to borrow money on behalf of the society, these words should be deleted.

2. The amount of capital raised as shares, or as deposits received from members, is Rs.....(in words).....

3. We request that the advance may be made repayable at the..... Treasury in.....annual instalments, the date of payment in each year being

4. Particulars of the indebtedness of the society are as follows:—

(*a*) Due to members on account of deposits,.....rupees..

(*b*) The amount borrowed from other sources, and the interest payable on each amount borrowed are as under—

Amount borrowed	From whom	Rate of interest	Condition as to repayment

5. We attach hereto a copy of the resolution of the $\frac{\text{Committee}}{\text{Society}}$ authorizing the taking of an advance from the Government and specifying the members of the Committee who may, in conjunction with the Secretary, receive the amount and enter into an agreement with the Government for its repayment.

Dated.....

Signature of Secretary .....

Signature of three members.....

To

The Registrar, Co-operative Societies.

FORM B.

Order sanctioning an advance by the Government.

Registrar's No.....

1. Sanction is accorded to the payment of an advance of Rs..... .... (in words) from the... .....Treasury to the undermentioned society subject to the following conditions as to repayment :—

Name of society..... .....

Registered address.....

Number of annual instalments of repayment..... ....

Date on which each instalment is to be recovered.....

2. The date on which the society was registered is the....." and the advance is free of interest for two years from that date.

3. The budget allotment for such advances in the year 190 is Rs...../..... The aggregate amount of advances hitherto sanctioned during the year is Rs./.....

4. The persons recognized as authorized by the society to enter into a agreement for repayment of the advance are the Secretary and any three of the embers of committee named below—

Name of Secretary.....

Names of members (1).....
(2).....
(3).....
(4).....

Registrar, Co rative Societies.

FORM C.

Agreement to be executed on behalf of a Co-operative Society obtaining an advance from the Government.

We, the undersigned, being duly empowered in this behalf by the *Committee of** the.....Co-operative Society..... .....under the by-laws of the society, acknowledge to have received from the Government the sum of Rs.....as an advance to that society; and we undertake on behalf of the society to repay the said advance, with interest, in the following..... .....instalments, each instalment being payable on the date shown opposite thereto :—

*If the by-laws of the society do not empower the committee to borrow money on behalf of the societys, these words should be deleted.

	Principal	Interest	Total	Date
1				
2				
3				
4				
5				

2. We further agree to pay interest at 6 per cent per annum on any instalment or portion of an instalment which is not paid on due date, such interest to run from due date to date of payment.

3. We declare that, since the application in Form A was submitted to the Registrar, the society's indebtedness either to members or to non-members, has not increased otherwise than by the accrual of interest on debts specified in the application.

Date.....

Signatures { (1).....
(2).....
(3).....
(4).....

Witnesses' signatures { (1).....
(2).....

NOTIFICATION

No. Fl. 6644—B. 48-06, dated 20th June 1908.

In continuation of the rules published with Notification No. J. 3507—Legis. 21-06-3 of the 18th May 1907 and in exercise of the powers conferred by the Mysore Co-operative Societies Regulation, III of 1905, the Government of His Highness the Maharaja of Mysore are pleased to make the following additional rules.

Amount of advance.

1. (1) Loans from State Funds not exceeding Rs. 2,000 in any case may be made to any Co-operative Society at least one-half of the members whereof are agriculturists, or any other Co-operative Society with the special sanction of Government.

(2) The amount advanced to any society shall not exceed the paid-up share capital of the society.

Interest on advances.

2. All advances to a society shall be free of interest for the first two years and will afterwards, subject to Rule 8 (1), bear interest at 5 per cent per annum.

Instalments for repayment.

The advances shall be repayable in not more than three annual instalments commencing after the lapse of two years after the grant of the advance.

Application for an advance.

3. A society requiring an advance shall submit to the Registrar an application in Form A annexed to these rules.

Power to sanction advances and prescribe instalments for repayment.

4. The Registrar after satisfying himself as to the correctness of the statements made in the application, may sanction the payment of advances from any treasury or sub-treasury, and may prescribe the number of instalments of repayment and the dates on which each instalment is to be repaid.

Provided that, without the special sanction of the Revenue Commissioner, no advance sanctioned by the Registrar shall exceed Rs. 250.

Order sanctioning advance.

5. (1) If the Registrar sanctions an advance, his sanction shall be conveyed in an order in Form B annexed to these rules.

(2) The Registrar shall send the original order to the society; a duplicate copy to the Comptroller for issue of order of payment to the treasury concerned.

Payment of advance.

6. (1) Payment of any advance so sanctioned shall be made to the persons authorised to receive the advance on behalf of the Society, on their producing the Registrar's order at the treasury named therein, and executing an agreement in duplicate in Form C annexed to these rules.

(2) When payment of an advance has been made, the original agreement shall be sent to the District Treasury for safe custody and the copy forwarded to the Registrar.

Power to suspend repayment of instalment.

7. (1) The Registrar may, if sufficient cause is shown, and if all interest due has been paid, suspend the repayment of any instalment.

(2) Whenever the Registrar makes an order of suspension, he shall forthwith send a copy thereof to the Deputy Commissioner of the District and to the Comptroller.

(3) When an order of suspension is made in respect of any instalment, the repayment of that instalment and of all subsequent instalments shall be postponed for one instalment period.

Procedure where instalment not repaid on due date

8. (1) If any instalment due from any society is not fully repaid on the due date, interest at 6 per cent per annum to the date of repayment shall be recoverable on the amount overdue, unless the Registrar by special order exempts the society from this liability. Such orders are to be formally reported for the approval of the Revenue Commissioner.

(2) The Deputy Commissioner to whom any instalments are repayable shall give prompt notice to the Registrar of any default in repayment of any instalment.

FORM A.

Application for an advance from the Government.

1. We, the undersigned, being duly empowered in this behalf by *the Committee of* *.....Co-operative Society, Limited, apply for an advance of Rs.....(in words) .....from the Government, to be paid at the.....Treasury.

* the by-laws of the society do not empower the Committee to borrow money on behalf of the society, these words should be deleted.

2. The amount of capital raised as shares, or as deposits received from members, is Rs.....(in words).....

3. We request that the advance may be made repayable at the.....Treasury in.....annual instalments, the date of payment in each year being

4. Particulars of the indebtedness of the society are as follows :—

(*a*) Due to members on account of deposits,.....rupees.

(*b*) The amount borrowed from other sources, and the interest payable on each amount borrowed are as under—

Amount borrowed	From whom	Rate of interest	Condition as to repayment

5. We attach hereto a copy of the resolution of the $\frac{\text{Committee}}{\text{Society}}$ authorizing the taking of an advance from the Government and specifying the members of the Committee who may, in conjunction with the Secretary, receive the amount and enter into an agreement with the Government for its repayment.

Dated.....

Signature of Secretary.....

Signature of three members.....

To

The Registrar, Co-operative Societies.

FORM B.

Order sanctioning an advance by the Government.

Registrar's No.....

1. Sanction is accorded to the payment of an advance of Rs..... (in words) from the.....Treasury to the undermentioned society subject to the following conditions as to repayment :—

Name of society.....

Registered address.....

Number of annual instalments of repayment.....

Date on which each instalment is to be recovered.....

2. The date on which the society was registered is the..... .... and the advance is free of interest for two years from that date.

3. The budget allotment for such advances in the year 190 is Rs..... The aggregate amount of advances hitherto sanctioned during the year is Rs.....

4. The persons recognized as authorized by the society to enter into an agreement for repayment of the advance are the Secretary and any three of the members of Committee named below—

Name of Secretary.....

Names of members (1) ..... (2) ..... (3) ..... (4) .....

Registrar, Co-operative Societies.

FORM C.[2]

Agreement to be executed on behalf of a Co-operative Society obtaining an advance from the Government.

We, the undersigned, being duly empowered in this behalf by the *Committee of** the.....Co-operative Society..... .....under the by-laws of the society, acknowledge to have received from the Government the sum of Rs.....as an advance to that society; and we undertake on behalf of the society to repay the said advance, with interest, in the following.....instalments, each instalment being payable on the date shown opposite thereto:—

* If the by-laws of the society do not empower the Committee to borrow money on behalf of the society, these words should be deleted.

Principal	Interest	Total	Date
1			
2			
3			
4			
5			

2. We further agree to pay interest at 6 per cent per annum on any instalment or portion of an instalment which is not paid on due date, such interest to run from due date to date of payment.

3. We declare that, since the application in form A was submitted to the Registrar, the society's indebtedness either to members or to non-members, has not increased otherwise than by the accrual of interest on debts specified in the application.

Date..... .....

Signatures (1) ..... (2) ..... (3) ..... (4) .....

Witnesses' signatures (1)..... (2).....

By Order,

K. S. CHANDRASEKHARA AIYAR,
Secy. to Govt., Gen. & Rev. Depts.